TDD
1st Quarter 2016 Market Report

New Name & Logo



Chad Tyler and Joe Donegan were excited to add their long standing partner Brian Duncan's name to the company name in the fall of 2015 (Tyler Donegan Duncan – TDD). Brian has been a TD & Tyler Companies team member for approximately 13+ years. Before joining TD in 2002, Brian was the Executive Director of Frederick County's Office of Economic Development for 3 years. Prior to that, Brian was Assistant Director of Economic Development for Roanoke County, Virginia. Brian's long term successful track record in the areas of marketing and business development have been important assets to our company, which he has effectively applied in the field of commercial and residential real estate. Brian is also very actively involved in the community as a member of Knights of Columbus, volunteering for Habitat for Humanity, and running a food bank for his parish.

Economic Overview

While current economic activity remains decent, particularly with respect to the U.S. labor market, headwinds against the economic recovery still exist. Much of this is traceable to weakness in the global economy, which has helped to translate into plummeting commodity prices and declining investment in related segments. Corporate earnings also have become more mixed.

The good news is that Maryland's economy has continued to improve. The state's economy has added more than 45,000 new jobs over the last year. This is the largest gain Maryland has experienced in the past decade. In addition, tolls were cut at every single facility in the state for the first time in more than 50 years, and more than 100 different fees were reduced or eliminated. Thanks to these and other

initiatives, the Hogan administration has put more than $600 million back into the state's economy, and back into the pockets of Maryland taxpayers.

Washington DC and Suburban Office Market

The Washington DC Office Market finished the 1st quarter with a vacancy rate of 15.2%, which was slightly higher than the 14.9% closing of the previous quarter. The suburban Maryland office vacancy rate varies. For example, the I-270 Corridor finished the 1st quarter with a 17.3% vacancy rate and Frederick County finished the quarter with a 12.5% vacancy rate.

The average quoted asking rental rate for available office space, all classes, was $34.45 per square foot per year at the end of the 1st quarter 2016 in the Washington market area. In Frederick County, the average quoted rental rate ended the quarter at $21.60 per square foot.

Washington DC and Suburban Industrial Market

The Washington DC Industrial Market finished the 1st quarter with an 8.9% vacancy rate; slightly higher than what it was the prior quarter. It's ranged from 8.8%-9.2% consistently over the last year.

In Suburban Maryland, the vacancy rate for the total industrial sector was 10.7% along the I-270 Corridor and 11% for Frederick County. This includes both flex and traditional warehouse.

The average quoted asking rental rate for available Industrial space was $9.87 per square foot per year at the end of the 1st quarter 2016 in the Washington market area. In Frederick County, the average quoted rental rate ended the quarter at $7.61 per square foot.

Washington DC and Suburban Retail Market

The Washington DC Retail Market finished the 1st quarter with a 4.2% vacancy rate; over the past 4 quarters the market has seen an overall consistent decrease.

In Suburban Maryland, the vacancy rate for total Retail Market sector was 3.7% for the I-270 Corridor and 7.7% for Frederick County. This overall statistic includes all types within the Retail market. (i.e. Malls, Big Box Retail, Neighborhood Shopping Centers)

TDD Highlighted

1st Qtr. Completed Transactions

ReGen Lab Equipment provides and services refurbished scientific equipment and provides other associated maintenance services to the Biotech community in Maryland, United States & countries around the globe. Whether you are in the market for used lab equipment for sale (backed by warranty), preventive maintenance, scientific instrument repair and service, assistance with managing your lab equipment, or liquidating your surplus laboratory equipment, ReGen has the capability. In early February we were asked to assist them in finding short term "swing space" to store large freezers, refrigerators, and other large scientific equipment. We found 2,750 sf at 550 Highland St. in Frederick. The space suits their needs and will help their business as they continue to grow.

TDD was retained by Houlton Smith LLC to market and sell its Advance Auto Parts store building located at 508 E. Baltimore St, Taneytown, MD. The building is 100% leased to Advance Auto Parts and is 6,820 square feet. TDD was able to secure a purchaser for the building after a marketing period of approximately 45 days, with the sale of the property occurring 45 days later. The property sold for $2 million. Chad Tyler of TDD handled the marketing and sale of the property.

Tyler Donegan Duncan represented OPA Greek Restaurant in their new 3500 sq. ft. location at 50 Carroll Creek Way. The new owners have been in the restaurant business for many years and choose Frederick because of its vibrant downtown. The space also has a large outdoor seating area.



TDD represented the Ganassa Companies in leasing 3,500 square feet of flex space to Frederick Sport and Spine Clinic. Frederick sport and spine is a premier physical therapy facility in Mid-Maryland, owned by Dr. Mark Acierno. The space is located in the Hyatt Business Park on MD 355, just south of Urbana in Frederick County Maryland. This is the third location for Frederick sport and spine.